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Senate

INCREASING THE PUBLIC DEBT LIMIT

Mr. CARPER. Mr. President, I thank my friend from Montana for yielding.

There was a lot of talk before the election about potential October surprises. Perhaps there should have been more talk about potential November surprises, for that is what we are presented with this afternoon.

There was a great deal of rhetoric during the campaign about cutting our Nation's budget deficit in half. There was too little straight talk, however, about the reality that our debt continues to rise.

We have heard a good deal of talk since the election about mandates, voters' mandates and fulfilling campaign promises. If the majority in Congress is seeking a mandate for its economic policies, they would not have withheld the results of those policies until after the election.

As far as campaign promises go, I do not recall anyone promising in this year's campaign that Congress's first act after the election would be to approve an increase in our Nation's indebtedness to more than \$8 trillion. That is exactly what Congress is about to do this afternoon before the sun sets in Washington, DC.

As the most profligate Presidential term and the most profligate session of Congress in our Nation's history draw to a close, the bills, meanwhile, are coming due. Bills, like facts, are very stubborn things. No amount of rhetoric can make them go away. While it was inappropriate to hide from the public the true extent of our Nation's growing indebtedness until after the election, it is somehow fitting this vote would come today. There is a symbolism in the fact that one of the last acts of the 108th Congress will be to place this country deeper in hock to our creditors around the world. There is also significance in the fact that this act will be undertaken just a day before the opening of the Clinton Presidential Library in Arkansas.

The opening of the Clinton Library reminds us that when Bill Clinton left office 4 years ago, America had a budget surplus. That surplus was sufficient to secure the future solvency of Social Security and Medicare and to put our country on course to be completely debt-free for the first time in any living person's memory.

That is the legacy of President Clinton. I am sorry to say the legacy of the 108th and the 109th Congresses will be one of undoing in 4 short years the decade of work and sacrifice that went into balancing our

Nation's books and strengthening our Nation's finances for the 21st century.

Let me say, credit for the budget surpluses that we were beginning to generate as a country 4 years ago is not entirely due to one President or to one party. But the fact is that he did provide a strong measure of the leadership that helped get us to the place we were just 4 short years ago.

As a result of that rapid unraveling of fiscal restraint, our financial position is far more precarious than it was just 4 years ago. With a large and growing budget deficit, we are stretched thin in our capacity to meet the great challenges that inevitably confront us as a great people. New terms and new Congresses are times for new beginnings—and for those of you who know me, I am an eternal optimist. I have no desire to dwell on the past. I, like most of us, am determined to look forward. My hope is that given the opportunity for a new beginning, we will chart a new course in the new year to come.

In truth, we have no other choice, at least no other good choice. Sustaining a protracted global war on terrorism requires discipline. Keeping the promise of Social Security and Medicare entails responsibility. Ensuring that these challenges do not exhaust our capacity so that we are still in a position to improve our schools and invest in our children and their future demands sacrifice. Discipline, responsibility, sacrifice—these are values that are familiar to families in small towns across Delaware and across America and, frankly, in big towns, too. They are the values by which our families live each and every day, or at least attempt to. Our State and local governments share the values of our people when it comes to handling their people's money because, unlike the Congress, our State and local governments are required to share those

values. Our State and local governments are required to live by two simple rules: Live within your means and pay as you go. We used to live by those rules here in Congress, but we have literally let those rules expire.

In hindsight, it is clear that by letting these simple rules expire, and with them the values of discipline, responsibility and sacrifice, we have unleashed a frenzy of spending and borrowing. It is equally clear that this laxity in Congress now threatens America's economic vitality and even our national security.

Personally, I do not believe pundits who say fiscal recklessness is inevitable. Nor do I believe those who say bitter and polarizing partisanship is inevitable. They may be inevitable, but I don't believe it. I am ready to meet in the middle with anyone from the other side who is interested in bringing responsibility and discipline to the Halls of Congress and the part of America outside the Congress that is within this beltway. I am interested in working with any and all of my colleagues who want to work to reform and to improve the budget process in a way by going back to the future, going back to some of those values and some of the practices that got us to a place where we had a balanced budget, including the notion that if a Senator wants to increase spending, he has to come up with an offset—lower spending someplace or to raise revenues someplace.

If we want to cut the revenues from the Treasury, we have to come up with an offset. Either raise revenues someplace else or cut spending to offset the loss to our Treasury from our tax cuts. Surely we can find a common cause and make sure the decisions we make in Congress truly represent the values by which those we represent live their lives. We can do this. We

should begin by restoring the old rules that require us to live within our means and, as I said earlier, pay as we go.

If we do that, perhaps we can save ourselves the embarrassment we feel today. Perhaps we can save ourselves from standing once again on the precipice of adding another billion, another hundred billion, or another trillion dollars to the debt we are loading on the backs of our children and on future generations of Americans.

Sitting here before me today are young people. They are pages. They come here to this Capitol when they are juniors in high school. They are the same as our oldest son. Someday somebody is going to have to pay for the debt we, the Congress, are accumulating at the request of the administration, the debt load whose ceiling we will raise later today. We do not just print money when we run deficits around here, we borrow money. We don't just borrow money from people who buy savings bonds, we don't just borrow money from people who buy Treasury securities, notes and bonds, we borrow money from people all over the world.

We have become a huge debtor to some unlikely nations: China, Japan, South Korea, and a number of others. I am not talking about deficits of a couple of billion dollars or even tens of billions of dollars, but hundreds of billions of dollars. They expect to be paid interest on that debt. We have to pay interest on that debt or default. Eventually they are going to want to be repaid the principal of the money they have loaned to us.

My friends, if we are not careful, we are going to reach a tipping point where the amount of our indebtedness becomes so great, so significant, so alarming to other

nations around the world they are going to be reluctant to loan us more money unless we show some ability to better manage our finances.

When they see the threat to our ability to repay our debt go up and we become a riskier investment, those other countries around the world are going to ask us, if we want to be able to get credit, to pay more interest on our debt and to raise the interest rates. If we don't want to do that, we are not going to be able to roll over—renew—our debt.

On the other hand, if we pay the higher interest rates which we are going to be inevitably faced with, that has a dampening effect on our economic recovery.

Someday these young pages, along with my children and their generation, are going to have to repay these debts. It is not fair to them.

I will close with this. Does anybody in the Chamber have an idea of what the interest payment on our national debt is today? About \$1 billion. Just 1 day—not 1 week, 1 month—just 1 day. It is not principal, it is just interest. And we have to pay it today, tomorrow, and the day after that. In raising our debt ceiling today, that \$1 billion interest payment is not going to go down, it is going to go up.

We can do better than this. Beginning in January we have to. With that having been said, I yield my time and thank my colleague from Montana for yielding to me.